

Office of State Uniform Payroll

Procedure Title: Affordable Care Act (ACA) Subsidy Notices	Revision Date:
	Issue Date: 12/01/2017
Unit: Benefits and Financial Administration Unit	Page Number: 1 of 2
Contact: _DOA-OSUP-BFA@la.gov	

The Affordable Care Act (ACA) requires each health insurance marketplace/exchange to notify employers when their employees have enrolled in marketplace/exchange health coverage and are eligible for a premium tax credit subsidy. Beginning June 1, 2016, this notice will be sent to the employer's mailing address provided by the employee on their marketplace/exchange coverage application. (NOTE: Louisiana does not have a state run marketplace/exchange, so Louisiana residents use the federally-facilitated health insurance marketplace/exchange at HealthCare.Gov.)

The subsidy notice will identify the specific employee who enrolled in marketplace/exchange coverage and was deemed eligible to receive the advance premium tax credit subsidy. This determination does not establish whether the employer is liable for an employer shared responsibility penalty (ESR), but it may provide a basis for the Internal Revenue Service (IRS) to assess penalties. For this reason, as well as to help ensure that individuals do not mistakenly receive health insurance subsidies, employers have the right to appeal marketplace/exchange eligibility determinations. An appeal will allow an employer to correct any inaccurate information the marketplace/exchange may have received about the health coverage it offered to an employee who was deemed eligible for a subsidy. **Employers have 90 days from the date of the notice to file an appeal.**

It is important to review subsidy notices immediately upon receipt and file an appeal when necessary to avoid the potential 4980(H) ESR payment (penalty). Note: There will be cases where an agency will have to pay an ESR payment when an employee eligible for health coverage, according to ACA rules, was not offered coverage. A sample notice can be found on the [OSUP ACA](#) page under "Resources": [ACA Subsidy Sample Notice](#)

OSUP will work closely with agencies to determine when an appeal should be filed and to determine the supporting documentation to include with the appeal. Agencies can refer to the "[Affordable Care Act Subsidy Notices to Appeal...or Not to Appeal?](#)" document on the ACA Page of OSUP's Website for examples of when to appeal or not appeal a notice. When an agency receives a subsidy notice, the agency must contact the OSUP Benefits and Financial Administration (BFA) Unit immediately.

When a subsidy notice is received, agencies should complete an **Employer Appeal Request form** found on the following website: <https://www.healthcare.gov/marketplace-appeals/employer-appeals/>. Section 1 should be completed as follows:

Business Name

State of Louisiana – Office of State Uniform Payroll
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Federal Employer ID Number (EIN)	72-1447520
Primary business mailing address	P. O. Box 94095
City, State, Zip code	Baton Rouge, LA 70804-9095
Name of the primary contact	Andrea P. Hubbard
Phone Number	(225) 219-9434
Primary contact mailing address	P. O. Box 94095
City, State, Zip code	Baton Rouge, LA 70804-9095
Phone number	(225) 342-0713
Title of Primary Contact	State Uniform Payroll Director

The secondary contact designation (Section 2) should be populated with the agency's central location contact information. Complete the required information in Section 3. Do not complete Section 4. Send the appeal form and all supporting documentation (i.e. GB-01, ZP136 report, etc.) to OSUP for review and submission. Agencies must forward copies of any and all correspondence regarding an appeal to OSUP.

Documents must be emailed (securely) to the OSUP BFA Unit email address (see above) or faxed to OSUP BFA Unit at (225) 219-4432.

Since the employer has no control over the employer address provided by the employee on the marketplace/exchange application, OSUP is uncertain of the delivery location (e.g. employee uses their actual physical work location, not the HR headquarters' address). In an effort to ensure these subsidy notices are mailed to the correct location, it is important to follow the [ACA Health Insurance Marketplace Notices](#) procedure when completing the ACA Health Insurance Marketplace Notice for new employees. Please disseminate this information to all field offices (e.g. timekeepers, managers) so that if they receive a subsidy notification, they will notify the HR office immediately and forward it to the HR office. **OSUP strongly recommends agencies identify one (1) central location for collection and processing of these notices.**

Again, receipt of this notice does not indicate an ESR liability. Actual ESR payment notices will come from the IRS and will be delivered directly to OSUP. Agencies will be contacted if a payment notice is received by OSUP.